



Center for Medicaid and State Operations
Disabled and Elderly Health Programs Group

Medicaid Buy-In Eligibility Groups

I. BBA Eligibility Group

Section 4733 of the Balanced Budget Act of 1997 (BBA) allows States to provide Medicaid coverage to working individuals with disabilities who, because of their earnings, cannot qualify for Medicaid under other Statutory provisions. Section 4733 allows States to provide Medicaid coverage to these individuals by creating a new optional categorically needy eligibility group.

In response to BBA, many States implemented more liberal income and resource methodologies than are used by SSI and have premium payments and cost sharing charges set on a sliding scale based on income.

A. Rules that Apply to All States Implementing BBA Eligibility Group

- Family Income Standard – Net family income below 250 percent of the Federal poverty level for a family of the size involved.
- Except for earned income (which is completely disregarded) the individual must meet all SSI eligibility criteria, including:
- Unearned income not exceeding the SSI income standard (currently \$512 a month for an individual; \$769 for a couple).
- Resources not exceeding SSI resource standard (\$2,000 for an individual; \$3,000 for a couple).
- Disabled as defined under the SSI program.
- SSI income and resource methodologies are used to determine eligibility.

B. Options Available to States under BBA

- Use of more liberal income and resource methodologies than are used by SSI (Section 1902(r)(2) of the Act).
- Use of more restrictive eligibility criteria than are used by SSI (209(b) States).
- States can require payment of such premiums or other cost-sharing charges, on a sliding scale based on income, as the State may determine.

II. TWWIIA Eligibility Groups

Similar to the BBA Group, the Ticket to Work and Work Incentives Improvement Act of 1999 (TWWIIA), created two new optional categorically needy Medicaid eligibility groups: (1) the Basic Coverage Group; and (2) the Medical Improvement Group.

The Basic Coverage Group is similar to the BBA group, except that there is no 250 percent of the Federal poverty level family income limit, there is an age limit (at least 16 but not more than 64 years of age), AND under these new groups States are free to establish their own income and resource standards, or have no income and resource standards if they choose.

A. Rules that Apply to All States Implementing Basic Coverage Group

- Individuals covered must be at least 16 but not more than 64 years of age.
- Individuals covered must be disabled as SSI defines the term.
- Earned income is not automatically disregarded.
- No federally required income and resource standards.
- If States establish income and resource standards, SSI income and resource methodologies are used to determine eligibility.

B. Rules that Apply to All States Implementing Medical Improvement Group

- Individuals covered must be 16 but not more than 64 years of age.
- Individual covered must have a medically improved disability.
- Individual covered must have been eligible under the Basic Coverage Group but lost that eligibility because his or her medical condition has improved to the point where it is determined at the time of a regularly scheduled continuing disability review that he or she is no longer disabled as SSI defines the term.
- Earned income is not automatically disregarded.
- No federally required income and resource standards.
- If States establish income and resource standards, SSI income and resource methodologies are used to determine eligibility.

C. Options Available to States under TWWIIA

- States are free to establish their own income and resource standards, or have no income and resource standards if they choose.
- Use of more liberal income and resource methodologies than are used by SSI (Section 1902(r)(2) of the Act).
- Use of more restrictive eligibility criteria than are used by SSI (209(b) States).
- States can require payment of such premiums or other cost-sharing charges, on a sliding scale based on income, as the State may determine.

To assist States in their implementation of the work incentives eligibility groups, the following provides information about the eligibility rules and policies each State covering the BBA or TWWIIA eligibility groups has adopted in three areas; income, resources, and payment of premiums or other cost-sharing charges. Using the rules that apply to all States as the baseline, these three constitute the areas in which States can exercise eligibility options.